Bill To:

State of Idaho
****

Send invoices to the address listed below or as indicated in the comments or instructions field Boise, ID 83720-0075

THIS NUMBER MUST APPEAR ON ALL DOCUMENTS

State of Idaho

Statewide Blanket Purchase Order Contract Renewal

Statewide Blanket Purchase Order
SBPO1191 - 04

DELIVER TO:

Dept of Labor
317 Main Street
Boise, ID 83735

Date: Thu Mar 27, 2008
F.O.B: Destination
Terms:

VENDOR: MERIDIAN KSI

4465 Brookfield Corporate Drive
Suite 201
Chantilly, VA 20151
Attn: Executive Vice President
Vendor Nbr: P00000056288
Emailed To: bvolk@meridianksi.com
Phone: 703-322-9565
Fax:
Account Number: P00000056288

Start of Service Date Tue May 27, 2008

End of Service Date: Tue May 26, 2009

Solicitation#: RFQ04114
DOC#: PREQ8061

File(s) Attached:
○ **Meridian_Idaho_RFP_hosted__Cost_040904.doc**
○ **Optional_Costs.doc**
○ **SBPO1191_0708_Labor_Rates.pdf**

Buyer: GREGORY LINDSTROM   208-332-1609

Item No	Description	Quantity UOM	Unit Price	EXTENSION
000	**BLANKET PURCHASE AGREEMENT (line item particulars follow)**	**1 lot**		**200000.00**
			Total:	**200000.00**
Blanket Comments:				

Item No	Description	Quantity UOM	Unit Price	EXTENSION
001	**CONTRACT FOR FURNISHING E-LEARNING SYSTEM, establish a Statewide Contract for a hosted service per RFP01449. This is a jointly sponsored RFP by the Dept. of Labor and the Dept. of Health & Welfare.** **(920-91) (nt)**	**1 SYS**	**200000.00**	**200000.00**
	Instr: **The attached document dated 3/29/07 and titled '2007 Hourly Labor Rates' effective 5/27/07 - 5/26/08, shall be the pricing for the renewed term of this contract.**			
General Comments:	........................NOTICE OF STATEWIDE CONTRACT (SBPO) AWARD Contract for Learning Management and Learning Content Management Systems for various state of Idaho agencies, institutions, and departments. Contract Title:................Learning Management and Learning Content Management System Contract Usage Type:........Mandatory Use Public Agency Clause: ......Yes **CONTRACT FOR FURNISHING E-LEARNING SYSTEM** **CONTRACT SBPO 1191-01 RENEWAL**			

This contract renewal and the provisions hereof are hereby made part of that certain State of Idaho contract number SBPO 1191-04, for CONTRACT FOR FURNISHING E-LEARNING SYSTEM dated APRIL 11, 2007 for VARIOUS STATE OF IDAHO AGENCIES, INSTITUTIONS AND DEPARTMENTS, between MERIDIAN KSI as "Contractor" and the State of Idaho as "State." Contractor and State hereby agree as follows:

All of the terms and conditions contained in the Contract shall remain in full force and effect, except as expressly modified herein. The effective date of this renewal is MAY 27, 2008.

This contract is renewed for ONE (1) YEAR commencing May 27, 2008 and expiring MAY 26, 2009. The same terms, conditions and prices prevail for the contract renewal period.

A new contract number has been assigned to this contract. It is located in the upper right hand corner, first page of this document. Please refer to this number on all transactions pertaining to this contract.

SIGNED AND DATED ACCEPTANCE LETTER FROM MERIDIAN KSI ON FILE AT THE DIVISION OF PURCHASING

Instructions:
Freight / Handling Included in Price

By: GREGORY D. LINDSTROM

Response to the

State of Idaho

Contract Proposal #RFP01449
Hosted e-Learning solution

Cost Proposal

- CONFIDENTIAL -

April 9, 2004

Meridian KSI
4465 Brookfield Corporate Drive
Suite 201
Chantilly, VA 20151
Phone: 703-322-9565
Fax: 703-322-9568
POC: Elizabeth T. Volk
bvolk@meridianksi.com

TABLE OF CONTENTS

1.0 COST PROPOSAL

Meridian Knowledge Solutions, Inc. is pleased to submit this cost proposal to support the State of Idaho in providing and implementing our Knowledge Centre LMS for your training administration and organizational learning needs.

For additional, uniquely branded sites, each additional license will be a flat fee of $40,000. Total user count is attributed to the base license, not the derivative site.

1.1. For Hosted Solution – Please provide a FIRM FIXED COST TO provide both a Hosted LMS (section 1.1.a. below) and an LCMS (section 1.1.b. below) per the following:

> a. LMS
> For evaluation purposes only please provide a lump sum cost for providing access to:
>
> Up to 2500 users or 750 concurrent users per year $/user__$22.10___   or
>
> $/concurrent user _____
>
> Up to 5000 users or 1200 concurrent users per year $/user__$16.05___   or
>
> $/concurrent user _____
>
> Up to 10,000 users or 2500 concurrent users per year $/user_$11.03___   or
>
> $/concurrent user _____
>
> Up to 15,000 users or 3500 concurrent users per year $/user__$8.35__   or
>
> $/concurrent user _____
>
> more than 15,000 will be negotiated

For evaluation purposes only, use the numbers in the "user" category.

	Price/User	Users	Annual Cost
Year 1	$__22.10__ X	2,500	= $____55,250___
Year 2	$__16.05____ X	5,000	= $__80,250____
Year 3	$__11.03____ X	10,000	= $_110,300_____
Year 4	$__8.35____ X	13,000	= $_108,550____
Year 5	$__8.35_____ X	15,000	= $_125,250____

TOTAL 5-YEAR COST: $___479,600___ This is the fixed cost which the State will use to evaluate proposals for LMS cost.

This cost does not include the following support items or direct labor support for implementation/customization.

Support Item	Cost
Workbook Session and Project Planning,	$20,000*
Implementation, Configuration, Testing, Beta Test support	$55,000
Customizations and Prototype	TBD**
Training and Installation	$12,000***
Travel (2 people, 2 trips, est.)	$10,000
Total (includes est. recommended allocation for customizations)	**$137,000**

*Two day kickoff/workbook session with state stakeholders on Idaho site.

**Customizations/integration support may vary widely by agency. It may be as little as $10,000 for an agency, to as much as $150,000 depending upon the extent we need to incorporate an agency's business rules, etc. Customizations can be provided on T&M basis using our standard GSA labor categories. Based on Idaho requirements, Meridian recommends Idaho allocate $40,000 for customizations.

***Training and installation assumes 3 total days on Idaho site.

Refer to Knowledge Centre license and maintenance agreement for details. Includes unlimited e-mail and telephone support for up to five named administrators for technical assistance, trouble shooting for standard KC functions and access to upgrade/releases of software. Does not include direct labor required (if necessary) to integrate the upgrade to Idaho-customized site.

b. LCMS
For evaluation purposes only please provide a lump sum cost (if your LCMS is not bundled with the LMS) for providing access to:

NOTE: LCMS is optional and bundled with the LMS. No additional fees apply.

Up to 250 users or 75 concurrent users per year $/user_____ or

$/concurrent user _____

Up to 500 users or 125 concurrent users per year $/user_____ or

$/concurrent user _____

Up to 1000 users or 250 concurrent users per year $/user_____ or

$/concurrent user _____

Up to 1250 users or 300 concurrent users per year $/user_____ or

$/concurrent user _____

Up to 1500 users or 500 concurrent users per year $/user_____ or

$/concurrent user _____

Up to 2000 users or 750 concurrent users per year $/user_____ or

$/concurrent user _____

more than 2000 will be negotiated

For evaluation purposes only, use the numbers in the "user" category.

	Price/User	Users	Annual Cost
Year 1	$_____ X	75	= $_____
Year 2	$_____ X	125	= $_____
Year 3	$_____ X	250	= $_____
Year 4	$_____ X	300	= $_____
Year 5	$_____ X	500	= $_____

TOTAL 5-YEAR COST: $_____ This is the fixed cost which the department will use to evaluate proposals for LCMS cost.

c. Options: Please define optional features available and their costs:

__Derivative License_____ $_40,000_
__Meridian Player*_____
_____ Single user license _____ $129.00 __
_____500 User License _____ $15,000_____
_____2,500 User License _____ $25,000____
_____7,500 User License _____ $60,000__
_____15,000 User License _____ $90,000__
_____20,000 User License _____ $125,000_
_____ Enterprise License _____ $125,000 + $3 per user
                                                over 20,000 users

The Meridian Player is a desktop application to extend online courseware to users with limited or no web access, playing and tracking SCORM 1.2 conformant courses offline. As a mobile learning management system, the Player will launch and track user progress through SCORM 1.2 content accessed from CD or LAN connection or downloaded from a Meridian KSI Knowledge Centre™ implementation or another online source. The Player synchronizes student data with the

Knowledge Centre via web communications or other file transfer media to maintain a centralized student record.

d. Please define the training costs and separate each role based training provided (technical vs. administrative), time allocated, and any other fees associated with training implementation.

Site Administration	Provides Site Administrators with an understanding of how to establish and maintain permission group for the users within the Knowledge Centre. Through the use of hands-on training exercises, Site Administrators gain knowledge in how to establish organizational hierarchies, and how to add content to the site and generate reports. Equipment requirements: PC with internet connection for each student Preferred training facility environment and preparations: PC lab	1 day (Two 3 hours sessions with Q&A)	$2,000 per class
Content/Course Administration	This course is designed for Course Administrators and Instructors and users who will have Content Administrator privileges. Through the use of hands-on training exercises, Content Administrators will learn how to add and manage courses, create team rooms and chat rooms, etc. Equipment requirements: PC with internet connection for each student Preferred training facility environment and preparations: PC lab	1 day (Two 3 hours sessions with Q&A)	$2,000 per class
SCORM Courseware Management (LCMS)	This course is intended for web and instructional designers and provides an overview of SCORM, and demonstrates the usage of the SCORM Content Management tools to manage SCORM courseware in the Knowledge Centre. Equipment requirements: PC with internet connection for each student Preferred training facility environment and preparations: PC lab	Beginning: 2 days Advanced: 3 days	$2,400 per day
Super Administrator Training	Combines site, content, course administration into a comprehensive overview of the Knowledge Centre. Through the use of hands-on training exercises, Super Site Administrators will learn how to manage and administer all aspects of the Knowledge Centre. Equipment requirements: PC with internet	3 days (Six 3 hours sessions with Q&A)	$6,000 per class

	connection for each student Preferred training facility environment and preparations: PC lab		
Enterprise Learning Workshop (Two-day)	The Meridian KSI executives lead a tailored two-day workshop on the strategic implementation of learning technologies, learning management systems, competency modeling, and leveraging knowledge management within your organization's learning framework. Equipment requirements: Single PC with internet connection and overhead projector Preferred training facility environment and preparations: Conference room	2 days	$6,000 per class
Technical Training	Meridian KSI's Training and Documentation Team can provide a two-day training session for System Administrators. The System Administration course is designed to train system administrators on how to install and maintain the KC. During the training administrators will learn how to configure the KC software, make changes to the global.asa files, modify the code. Equipment requirements: PC with internet connection, access to the server(s) Preferred training facility environment and preparations: Informal, either PC Lab or server work area	Depends on audience size	TBD

Invoicing, Payment and Acceptance Terms

Payment Terms are NET 30 from receipt of a correct invoice.

1. Meridian KSI will invoice the license and maintenance costs immediately upon contract award.
2. Payment (or, at a minimum, authorization for payment) for license and maintenance must be received prior to implementing any customizations of the Knowledge Centre software (including graphics, logos and any configuration).
3. Annual hosting and user and administrative support fees (if applicable) will be invoiced at the beginning of the period of performance.
4. Payment (or, at a minimum, authorization for payment) for annual hosting, user or administrative support fees must be received prior to activating support.
5. All other customization and consulting tasks will be expensed monthly based on actual accomplished work and expended efforts for the previous work period.

Options/Scenarios for the State of Idaho Knowledge Centre LMS implementation

Scenario 1) Both DHW and DOL (DHR) implement Client/Server solution (either joint server backend or separate sites).

License Fees – one time fees:

Product Name	Unit Cost
Meridian KSI Knowledge Centre ™ - Limited User License (20,000 registered users, single branded site, single server (includes development and production servers) (includes Competency Management Suite Module) --Base license covers one of the agencies' sites (no derivative needed)	$150,000
Additional branded site for DOL (includes DHR or other "Domain")	$40,000
TOTAL	**$190,000**

Maintenance Fees:

Product Name	Unit Cost
Year 1 (20% of $190K)	$38,000
Year 2 (20% of $190K)	$38,000
Year 3 (20% of $190K)	$38,000
Year 4 (20% of $190K)	$38,000
Year 5 (20% of $190K)	$38,000
TOTAL	**$190,000**

Initial implementation services (per each uniquely branded site). The items in italics may be combined and shared for added cost savings.

Software Item	Cost
Workbook Session and Project Planning,	*$20,000**
Implementation, Configuration, Testing, Beta Test support	$55,000
Customizations and Prototype	TBD**
Training and Installation	*$18,000****
Travel (2 people, 2 trips, est.)	*$10,000*
Total (includes est. recommended allocation for customizations)	**$143,000**

*see cost prop for details

Scenario 2) DHW implements Client/Server and DOL (DHR) implements the ASP hosted solution (two separate sites).

DHW license, maintenance and services fees above remain the same and scenario #1, less the derivative license/maintenance costs.

License, Maintenance and Hosting Fees – annual fees:

Item Name	Unit Cost
Meridian KSI Knowledge Centre ™ - Limited User License, Maintenance and Hosting (up to 2,500 registered users, single branded site, single server (includes development and production servers in Meridian hosted environment) (includes Competency Management Suite Module)	$15.00 per user per year for 2,500 users*
TOTAL (assumes two years, no derivatives, 2,500)	**$75,000**

*2,500 users for a minimum of a two-year period is smallest increment for this rate. Annual total is $37,500.

Additional branded site for other agencies (if any) **NOTE: (one time fee, not expected for initial implementation)**	$40,000

Maintenance Fees:

Included above

For Evaluation / total purposes:

```
              Price/User    Users          Annual Cost
Year 1  $____ 15.00__ X      2,500   = $____37,500___
Year 2  $__12.00____ X       5,000   = $__60,000____
Year 3  $__9.00____ X       10,000   = $_90,000_____
Year 4  $__6.50____ X       13,000   = $_84,500____
Year 5  $__6.00_____ X       15,000   = $_90,000____
```

TOTAL 5-YEAR COST: $___362,000___ This is the fixed cost which the State will use to evaluate proposals for LMS cost.

Initial implementation services (per each uniquely branded site). The items in italics may be combined and shared for added cost savings:

Software Item	Cost
Workbook Session and Project Planning,	*$20,000**
Implementation, Configuration, Testing, Beta Test support	$55,000

Customizations and Prototype	TBD**
Training and Installation	*$12,000***
Travel (2 people, 2 trips, est.)	*$10,000*
Total (includes est. recommended allocation for customizations)	**$137,000**

*see cost prop for details

Scenario 3) DOL (DHR) implements the ASP hosted solution and at the end of year 2 (for example) migrates to behind-the-firewall on Idaho servers.

DHW license, maintenance and services fees above remain the same and scenario #1, less the derivative license/maintenance costs.

License, Maintenance and Hosting Fees – annual fees:

Item Name	Unit Cost
Meridian KSI Knowledge Centre ™ - Limited User License, Maintenance and Hosting (up to 2,500 registered users, single branded site, single server (includes development and production servers in Meridian hosted environment) (includes Competency Management Suite Module)	$14.00 per user per year for 2,500 users*
TOTAL (assumes two years, no derivatives, 2,500)	**$70,000**

*2,500 users for a minimum of a two-year period is smallest increment for this rate. Annual total is $35,000. *No additional License fees are incurred if moved to behind-the-firewall on Idaho servers.*

Additional branded site for other agencies (if any) **NOTE: (one time fee, not expected for initial implementation)**	$40,000

Maintenance Fees:

Included above through hosted period. Once under client server, the maintenance for the DOL site will be $8,000 per year (treated the same as if it were a derivative site).

Initial implementation services (per each uniquely branded site). The items in italics may be combined and shared for added cost savings:

Software Item	Cost
Workbook Session and Project Planning,	*$20,000**
Implementation, Configuration, Testing, Beta Test support	$55,000
Customizations and Prototype	TBD**

Training and Installation	*$18,000****
Travel (2 people, 2 trips, est.)	*$10,000*
Total (includes est. recommended allocation for customizations)	**$137,000**

*see cost prop for details

Movement to behind the firewall - implementation services:

Software Item	Cost
Installation, Testing (assumes servers configured and prepared for installation). Assumes stand alone installation.	$4,500
Travel (2 people, 1 trip, est.)	$5,000
Total (includes est. recommended allocation for customizations)	**$9,500**

Additional Option for either Scenario 2 or 3:

DOL (DHR) implements the ASP hosted solution. This option breaks out the costs into separate license, maintenance, and hosting fees vs. the single per user cost.

License Fees – one time fees:

Product Name	Unit Cost
Additional branded site for DOL (includes DHR or other "Domain") *This derivative would be available under the main Knowledge Centre 20,000 user license which was purchased under the initial client/server contract.*	$40,000
TOTAL	**$40,000**

Maintenance Fees:

Product Name	Unit Cost
Year 1 (20% of $40K)	$8,000
Year 2 (20% of $40K)	$8,000
Year 3 (20% of $40K)	$8,000
Year 4 (20% of $40K)	$8,000
Year 5 (20% of $40K)	$8,000
TOTAL	**$48,000**

Hosting Fees – annual fees:

Item Name	Unit Cost
Meridian KSI Knowledge Centre ™ Hosting (single branded site, single server (includes development and production servers in Meridian hosted environment) (includes Competency Management Suite Module) This price assumes minimum of 10,000 users	$3.00 per user per year

*10,000 users for is smallest increment for this rate. This is our most favored GSA Schedule pricing. *No additional License fees are incurred if moved to behind-the-firewall on Idaho servers.*

Additional branded site for other agencies (if any) **NOTE: (one time fee, not expected for initial implementation)**	$40,000

Implementation Fees:

Same as above.

On-site support fees and Meridian Player pricing remains the same as in the cost proposal.

Courseware Development

Meridian KSI determines the pricing for courseware development based on several factors, including level of interactivity desired, media, length of courseware, the number of course modules being developed, and condition or availability of existing course materials. Conversion of existing materials will cost less than developing content from scratch. Meridian KSI will typically provide a cost estimate range, then conduct a front end analysis to validate the courseware design, and will provide a firm fixed price for the design, development, and implementation of the courseware based on these factors.

Pricing for custom content development ranges from $8,000 per seat hour to $40,000 per seat hour. The following are average prices for planning purposes.

Level 1: Pages of content with interactive test questions; some basic A/V and graphic production

Average price = {$10,000} per seat hour

Level 2: Mid-level interaction with the content, at least 20% very interactive learning activities (such as discovery exercises, drag-and-drop exercises, etc.). Sophisticated navigational controls.

Average price = {$17,000} per seat hour

Level 3: Simulation-based content, engaging theme development; very interactive.

Average price = {$32,000} per seat hour

2007 Hourly Labor Rates	Effective 5/27/07 – 5/26/08
Administrative Assistant	$42.08
Application Developer I	$96.16
Application Developer II	$122.88
Application Developer III	$150.86
Application Architect I	$132.46
Application Architect II	$151.70
Application Architect III	$170.95
Creative Media Specialist	$63.11
Computer Systems Analyst I	$53.30
Computer Systems Analyst II	$77.14
Computer Systems Analyst III	$115.01
Director I	$154.61
Director II	$173.53
Director III	$208.24
Instructional Designer I	$53.30
Instructional Designer II	$75.74
Instructional Designer III	$91.16
Instructional Technologist I	$89.28
Instructional Technologist II	$110.25
Instructional Technologist III	$156.45
Knowledge Mgmt Consultant I	$77.47
Knowledge Mgmt Consultant II	$93.49
Knowledge Mgmt Consultant III	$133.57
Project Manager I	$107.49
Project Manager II	$120.51
Project Manager III	$144.61
Principal Systems Eng/Arch	$129.03
QA/QC Specialist I	$63.11
QA/QC Specialist II	$99.75
QA/QC Specialist III	$129.67
Sr Documentation Specialist	$106.85
Software Testing Engineering	$94.50
Software Trainer	$89.25
SME / Instructor	$133.57
Sr. Quality Analyst	$156.45
Strategic HR Consultant	$426.87
Strategic Implement Cons I	$173.60
Strategic Implement Cons II	$207.90
Strategic Implement Cons III	$262.50
Web Designer I	$60.10
Web Designer II	$73.46
Web Designer III	$86.82